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Saskatchewan Farmers' Market
Program Review

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SASKATCHEWAN FARMER'S MARKET PROGRAM REVIEW

Deloitte Haskins & Sells Associates was engaged to conduct a review of the Saskatchewan Farmer's Market Program by the Department of Tourism and Small Business based on terms of reference provided by the Department. As a result of our study, which included a thorough literature review, file search, interviews with knowledgeable individuals and a survey of market participants, we were able to develop an informational paper of which the following is a brief summary.

A. PERFORMANCE OF FARMER'S MARKETS

1. The principal economic benefit of the Farmer's Markets is the incremental income they provide to the participants. Based on the current sales level of nearly $1 million this represents the equivalent of over 100 jobs paying minimum wage.

2. A number of non-economic benefits are derived from Farmer's Markets.

   - They provide a source of fresh, high quality produce to local consumers.
   - They provide a ready test market for new products.
   - They provide a means of disposal for excess produce.
   - They provide a developmental opportunity for people wishing to commence vegetable production.
   - They provide a social event for the community.
   - They provide an added tourist attraction to a community.
   - They provide an activity for many elderly persons as both consumers and participants.

3. The degree of commitment to the Farmer's Markets varies between communities and participants. Evidence of the level of commitment to the markets is demonstrated by the frequency of stall rentals which averages 5.6 rentals per member.

4. Farmer's Markets provide an additional marketing outlet to producers. Participation in the markets does not preclude the use of alternative methods and can, in fact, complement them. Farmer's Markets are an effective means of direct marketing by providing substantial customer exposure over a relatively short time frame.

5. Farmer's Markets do not have a major impact on imports. For example, sales of potatoes through Farmer's Markets represents less than 1% of the amount consumed in the province.

6. Farmer's Markets have encountered some problems in their development.

   - Many markets do not have the resources to promote and advertise their markets.
   - Internal strife can cause organizational problems.
   - A shortage of producers and consumers is a problem in smaller communities.
   - The lack of local community support and promotion has occurred in some instances.
   - Some problems have been encountered with local stores who view the markets as competitors.
   - The need for a permanent covered site was identified as a major problem, especially in Regina and Saskatoon.

7. A survey was conducted on a sample of market participants. The principal conclusions derived were:

   - Few participants identified Farmer's Markets as a significant source of income.
   - Most of the participants sold their produce through alternative methods as well.
   - Most of the participants took part in the Farmer's Markets because of the social aspect and the atmosphere.
   - Most of the participants felt that the main attraction to consumers was the fresh vegetables.

- Many of the respondents felt that their market could and should become self-sufficient.
- Many of the respondents were not aware of the current level of funding support their market received from the program.
- A very few of the participants saw need for any major changes in the program.

B. THE STRUCTURAL DELIVERY OF THE PROGRAM

1. The current level of support for the individual markets appears to be adequate.

2. The formula on which the support is based is simple and easy to apply. It also encourages the markets to become self-sufficient.

3. It was recommended that the funding be made more timely to allow the markets to plan their operation better. The Farmer's Markets can assist in this regard by providing their year end results and submitting their applications as soon as possible.

4. The current level of support for the Association was deemed inadequate to allow for any promotion or advertising. It was recommended that funds be provided for that purpose.

5. The time-based funding over a period of 10 years is a valid mechanism because it allows for development and avoids potential abuse.

6. Retaining the sunset clause allows an equal opportunity for all communities to participate without causing the program to grow without bounds. If after 10 years, a market is not viable and the community is unable or unwilling to provide assistance, the opportunity should be provided to another community.

C. THE ROLE OF TOURISM AND SMALL BUSINESS

1. The objectives of the Marketing Branch are compatible with the goals of the Farmer's Market Program.

2. The continued involvement of the Co-op Management Advisors and the Agricultural Representatives is not a duplication of effort. The services provided by these individuals can greatly assist the development of Farmer's Markets.

D. CONCLUSIONS

1. The Farmer's Market Program provides substantial economic benefits to the province through its support of local Farmer's Markets.

2. The program delivery needs some fine tuning but does not require any significant changes. Except for the lack of a promotional allocation, the funding level is appropriate as is the method of allocation.

3. With the number of communities expressing interest in the program the development of markets does not appear to have reached the saturation point. As a result, a directional change does not appear necessary at this point.